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**FISCAL IMPACT STATEMENT**

**LS 6618**

**BILL NUMBER:** HB 1105

**NOTE PREPARED:** Dec 21, 2007

**BILL AMENDED:**

**SUBJECT:** Transfer of Property to Fire Departments.

**FIRST AUTHOR:** Rep. Tincher

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** *Transfer of Property-* The bill provides that a governmental body may transfer property to the board of fire trustees of a fire protection district or the provider unit of a fire protection territory under the same circumstances that property may be transferred to a volunteer fire department.

*Transfer of Funds-* The bill provides that a participating unit in a fire protection territory may transfer any money belonging to the participating unit to the fire protection territory fund. The bill legalizes any transfer of money from a participating unit to a fire protection territory before July 1, 2008.

*Return of Transferred Property-* The bill provides that when a fire protection territory dissolves, title to any real property transferred to the provider unit reverts to the participating unit that transferred the real property to the provider unit.

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Transfer of Property-* Any local government entity with the ability to sue or be sued would be allowed to sell or transfer real, tangible, or intangible property, licenses, or interests therein to a fire protection district or territory. (Under current law, such sales or transfers as these are allowed to volunteer fire departments.)

The bill would permit a sale or transfer to occur without meeting the requirements for the transfer of real property by a political subdivision under current law. The current requirements to complete the sale or transfer of real property are receiving appraisals, publishing notices describing the conditions of, and engaging in a bid process on the real property to be sold or transferred. The impact to local expenditures would depend on the number of transfers of property, licenses, or interests made by local government entities.

*Transfer of Funds-* Units transferring money to a fire protection territory fund would not be able to expend that money for other governmental purposes. In order to make a transfer to the fire protection fund, a unit would have to pass either an ordinance or resolution.

*Background-* As of December 21, 2007, in 89 out of 92 counties, there were 54 fire protection districts or territories with total certified levies equal to \$17.8 M.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Civil taxing units within a fire protection territory.

**Information Sources:** LOGODABA.

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